S. 1051

To amend the Communications Act of 1934 to enhance protections against unauthorized changes of telephone service subscribers from one telecommunications carrier to another, and for other purposes.

IN THE SENATE OF THE UNITED STATES

July 22, 1997

Mr. Campbell introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To amend the Communications Act of 1934 to enhance protections against unauthorized changes of telephone service subscribers from one telecommunications carrier to another, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Interstate Slamming
- 5 Prevention Act of 1997".

SEC. 2. ENHANCEMENT OF PROTECTIONS.

- 2 (a) Liability for Additional Charges.—Sub-
- 3 section (b) of section 258 of the Communications Act of
- 4 1934 (47 U.S.C. 258) is amended—
- 5 (1) by striking "(b) Liability for
- 6 Charges.—Any telecommunications carrier" in the
- 7 first sentence and inserting the following:
- 8 "(b) Liability for Charges.—
- 9 "(1) Charges collected after viola-
- 10 TION.—Any telecommunications carrier"; and
- 11 (2) by striking the second sentence and insert-
- ing the following:
- 13 "(2) Fees for Changing Back.—Any tele-
- communications carrier described in paragraph (1)
- shall also be liable to the carrier previously selected
- by the subscriber concerned for any fees associated
- with changing the subscriber back to the carrier pre-
- viously selected, in accordance with such procedures
- as the Commission may prescribe.
- 20 "(3) Relation to other authority.—The
- 21 remedies provided by this subsection are in addition
- to any other remedies available by law.".
- 23 (b) Additional Penalties.—Such section 258 is
- 24 further amended by adding at the end the following:
- 25 "(c) Additional Penalties.—Any telecommuni-
- 26 cations carrier that violates the verification procedures de-

- 1 scribed in subsection (a) shall be subject to such additional
- 2 fines and penalties, including a forfeiture penalty under
- 3 section 503(b)(1)(B) of this Act, as the Commission shall
- 4 prescribe.".
- 5 (c) Additional Protections.—Such section 258 is
- 6 further amended by adding at the end the following:
- 7 "(d) Additional Protections.—In order to pro-
- 8 vide subscribers with additional protections against
- 9 changes in providers of telephone exchange service or tele-
- 10 phone toll service in violation of the verification procedures
- 11 described in subsection (a), the Commission may prescribe
- 12 the following:
- "(1) A requirement that telecommunications
- 14 carriers establish toll-free telephone numbers in
- order to permit subscribers to register complaints re-
- garding the execution of such changes in service, in-
- 17 cluding the requirement that calls to such numbers
- be answered in not more than two minutes.
- 19 "(2) A requirement that telecommunications
- 20 carriers provide the Commission such information
- 21 relating to the complaints made to such carriers re-
- garding such changes in service as the Commission
- considers appropriate.".
- 24 (d) Deadline for Rulemaking.—The Federal
- 25 Communications Commission shall prescribe the regula-

1 tions required by section 258 of the Communications Act
2 of 1934, as amended by this section, not later than April
3 30, 1998.

(e) Reports to Congress.—

- (1) Initial Report.—Not later than October 31, 1998, the Commission shall submit to Congress a report on unauthorized changes of subscribers' selections of providers of telephone exchange service or telephone toll service. The report shall include the following:
 - (A) A list of the ten telecommunications carriers that, during the one-year period ending on the date of the report, were subject to the highest number of complaints of having executed unauthorized changes of subscribers from their selected providers of telephone exchange service or telephone toll service when compared with the total number of subscribers served by such carriers.
 - (B) The telecommunications carriers, if any, assessed fines or penalties under section 258(c) of the Communications Act of 1934, as added by subsection (c) of this section, during that period, including the amount of each fine or penalty, and whether the fine or penalty was

assessed as a result of a court judgment or an order of the Commission or was secured pursuant to a consent decree.

- (C) Whether or not subscribers should be authorized to bring a private cause of action against telecommunications carriers that change subscriber selections of providers of telephone exchange service or telephone toll service in violation of the procedures prescribed under section 258(a) of the Communications Act of 1934 and, if so, the advisability of establishing minimum statutory penalties for violations addressed by such causes of action.
- (D) Whether or not the fines and penalties imposed by the Commission under section 258(c) of the Communications Act of 1934, as so added, are sufficient to deter telecommunications carriers from changing subscriber selections of providers of telephone exchange service or telephone toll service in violation of such procedures.
- (2) UPDATE.—Not later than one year after the date on which the Commission submits the report required by paragraph (1), and each year thereafter, the Commission shall submit to Congress an update

of the previous report under this subsection which sets forth the information specified in subparagraphs (A) and (B) of that paragraph for one-year period preceding the date of the report concerned.

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